

**RIO DELL CITY COUNCIL
STUDY SESSION
REGULAR MEETING
SEPTEMBER 1, 2009
MINUTES**

The Study Session/Regular Meeting of the Rio Dell City Council was called to order at 5:30 P.M. by Mayor Woodall.

ROLL CALL: Present: Mayor Woodall, Councilmembers Marks, and Thompson

Absent: Councilmember Barsanti (arrived at 6:00) and Dunker

Others Present: Interim City Manager Hill, Acting Director of Public Works Jensen, Finance Director Beauchaine, City Clerk Dunham, Merritt Perry and Carlos Diaz from Winzler and Kelly Consulting Engineers, and George Williamson, Contract Planner

STUDY SESSIONS/PUBLIC HEARINGS

Public Hearing – Wastewater Rate Adjustment

Interim City Manager Hill provided a recap on the previous actions leading up to the proposed rate increase. He noted that protests were allowed to be submitted up until 5:00 P.M.; stating that no additional written comments or protests were received.

Mayor Woodall opened the public hearing at 5:35 P.M. to receive any further public protests or comments on the proposed rate increase. There being no public comment, the public hearing closed.

Councilmember Marks commented that she was contacted by two citizens who wished to have their names removed from the list of those citizens who were protesting the rate increase and asked staff if those names had been removed; Finance Director Beauchaine said she didn't feel it would be appropriate to remove the names without a formal request from those individuals. Councilmember Thompson pointed out that there is a form available at City Hall for that purpose.

At 5:37 P.M. Mayor Woodall called for a brief recess to allow the Finance Director and Acting Director of Public Works the opportunity to do an official count the protests received to date.

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Mayor Woodall then announced the Council would be adjourning to Closed Session during this time to discuss: *Anticipated Litigation – significant exposure to litigation pursuant to Government Code Section 54956.9(b): 3 potential cases*, and asked for any public comment regarding the closed session. There being no public comment, the Council adjourned to closed session.

Three citizens arrived at this time, 5:39 P.M. Mayor Woodall explained what had happened thus far and reopened the public hearing to receive their comments or protests on the proposed rate increase.

An unidentified citizen asked about the assessment that was on her property tax bill; Finance Director Beauchaine explained that it was for the repayment of a sewer bond assessment that was implemented in 1978 to provide for wastewater improvements at that time.

Kimberly Zingaro, 263 Stream St., referred to the purchase of new equipment for the wastewater treatment plant and asked if that equipment would actually be moved to the new wastewater facility; Carlos Diaz explained the fabric (steel) building that is located adjacent to the sludge drying beds will house the dewatering equipment and will be moved to the new facility in addition to other components that will be moved as part of Project II.

Ms. Zingaro also expressed concern about compliance issues with regard to pumping raw sewage to the new site in the event of a serious earthquake or flood; Merritt Perry stated that the final design for Project II had not yet been determined and that it would have to meet State approval. He said they would obviously not design a plant that would be vulnerable to earthquakes.

Ms. Zangaro said her husband had contacted Rebecca Crow at Winzler & Kelly regarding research he had done on a wastewater treatment system that would address the removal of nitrogen and phosphorus in the sludge and asked why it could not be considered. Carlos Diaz explained that he did look at the web site her husband mentioned and basically this particular system was not conducive to the type of treatment the City has currently and would not be cost effective because of the size of the City.

Ms. Zangaro then asked what the City's intentions were for the removal of pharmaceuticals and birth control products; Merritt Perry stated there are no particular rules in place at this point to mandate the removal.

Interim city Manager Hill interjected that what is being proposed now does not preclude the City from researching options for Project II and a treatment system as discussed could be considered.

Finance Director Beauchaine explained that one of the reasons for the proposed increase is so that the City can enter into the planning phase of the project and take advantage of the opportunity to obtain American Recovery and Reinvestment Act (ARRA) Funding.

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There being no further public comment, the public hearing closed at 5:48 P.M.

The council then recessed into closed session as previously announced.

The meeting reconvened at 6:40 P.M. Mayor Woodall announced that no reportable action was taken in closed session and the Council would be reconvening into closed session at the conclusion of the meeting.

Finance Director Beauchaine announced that she and Acting Director of Public Works Jensen had completed the official count of the protests and of the 199 protests received, 167 or 13% were eligible; 50% plus 1 vote was needed to stop the rate increase. She noted that for the protest to be eligible the names had to be validated as being either the legal owner or rate payer but only one or the other could be counted. She recommended the City Council approve the resolution when presented.

CONSENT CALENDAR

Councilmember Marks requested a correction to the July 7, 2009 minutes stating she would like the last sentence on paragraph 2 of Page 5 to read "as there may be a need to reimburse them."

Marks also questioned General check number 27566 regarding a Bank of America Visa charge to Atlanta, Georgia; Finance Director Beauchaine explained the charge was for an airline ticket to Sacramento but for some reason all of the tickets booked through United Airlines show up as Atlanta, Georgia. The next question was in regard to General check number 27568 in the amount of \$6,000 for legal fees and asked the City Manager to provide the breakdown of those charges.

Motion was made by Marks/Thompson to approve the consent calendar including the minutes of the July 7, 2009 regular meeting as corrected; the minutes of the July 9, 2009 special meeting; the minutes of the July 20, 2009 study session; the check register including the General Check Register for check numbers 27555-27599 totaling \$129,207.26 and the Payroll Check Register for check numbers 14828-14849 totaling \$25,073.99; and Water Bill Claim Adjustment for Linda Cidoni in the amount of \$366.51. Motion carried 4-0; Councilmember Barsanti abstained from vote on the July 7, 2009 and July 20, 2009 minutes.

SPECIAL PRESENTATIONS

Update on Solids and Disinfection Management Project – Winzler & Kelly

Merritt Perry provided a brief update on the Solids and Disinfection Management Project, stating the City Council was provided a 90% design submittal for review last week to allow one last opportunity for them to comment on the project before it is put out to bid.

Councilmember Thompson referred to the \$87,000 for the City's cost share of the project and asked if the items indicated as the City's responsibility on the Construction Costs Worksheet represented the same \$87,000; Merritt noted there were the same.

Councilmember Marks commented that during the previous discussion of the project, the Council brought up the idea of solar energy; particularly for the fans associated with the sludge drying beds for possible cost savings and asked if they were being considered. Carlos stated they were actually trying to pull items out of the project because they didn't know how the bids were going to come in and wanted to make sure the City wasn't put in the position to assume additional expense. He noted the de-chlorination component was added as an additive item and indicated small solar fans could also be listed as an additive to the project if the Council desired.

ORDINANCES/SPECIAL RESOLUTIONS

Approve Resolution No. 1058-2009 Conditionally Accepting A Right of Way Dedication Assessor Parcel Numbers 205-111-021 and 205-111-019

George Williamson provided colored aerial maps to give perspective to what was being proposed stating the property owner (Dennis Wendt) is proposing to dedicate a right-of-way between Highway 101 and Northwestern Avenue (abutting the parcel occupied by Moore Fuel) to the City in exchange for relinquishment of an existing City easement. He noted that this is one of the two highway accesses into the sawmill area from Highway and 101 and is approximately 130 feet long and at its widest point is 65 feet wide with the right-of-way narrowing close to Highway 101. He said additional width may need to be obtained from the adjacent property owner to connect Highway 101 to Northwestern Avenue if and when new development is proposed.

Councilmember Marks asked if there are any other rights that the City would be giving up with relinquishment of the easement; George said he was not aware of any other right conveyed by that easement.

Dennis Wendt explained all he was asking is that the City give up an easement that basically goes no where. He said the County of Humboldt was in the process of relinquishing the easement but was not completed prior to the land being annexed into the City.

Interim City Manager Hill recommended action be deferred until staff has a chance to review the Deed. Councilmember Barsanti said he would also like to physically go out and look at the site before taking any action.

Councilmember Thompson stated that several years ago when Eel River Sawmills was in operation, they installed several feet of pipeline which they eventually gave to the City and wondered if there was any relationship between that and the easement. He said old Council

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Minutes refer to 3,200 feet of a 6" main line donated to the City in or around 1987 or possibly 1997. Interim City Manager Hill said he would do some research and report on the matter at the September 15, 2009 regular meeting.

Dennis Wendt further noted that this easement is actually a forty foot right-of-way between Highway 101 and Northwestern Avenue and if the Council went to the site, there is nothing on the ground that will show the easement area. He agreed to go out and flag the area at the request of the Council.

Councilmember Thompson questioned the process for vacating a right-of-way or relinquishing an easement and asked if it could be done by resolution rather than by ordinance; staff agreed to review the process and report back to the Council. .

Approve Resolution No. 1059-2009 Establishing Wastewater Fees and Charges for Wastewater Customers Pursuant to Ordinance No. 207

Finance Director Beauchaine explained the City has been moving forward with plans for wastewater improvements for several years as a result of a Cease and Desist Order issued by the North Coast Regional Water Quality Control Board which mandated that the City change its method of wastewater effluent disposal. After exploring potential effluent disposal sites and methods, the City was able to identify a preferred improvement project. This project she explained, has been divided into two projects to maximize funding; upgrades at the current facility; and new construction at the former Eel River Sawmills site. By dividing the project, the City became eligible to apply for \$2.25 million in grants to fund Project I. In addition, the City applied for a 0% interest loan to fund the planning of Project II. She further explained that in order for the City to receive the grant funds, the City must implement the proposed rate increase of \$7.46 per user per month to pay the loan financing costs; and demonstrate the City's ability to fund proper operations and maintenance costs; and implement Proposition 218 Wastewater compliant rates by September 11, 2009. She stated if the rate increase did not pass, the City would lose the \$2.25 million grant and 0% interest loan and still be mandated to implement the improvements.

Motion was made by Barsanti/Thompson to approve Resolution No. 1059-2009 *Establishing Wastewater Fees and Charges for Wastewater Customers Pursuant to Ordinance No. 207*.
Motion carried 4-0.

Mayor Woodall thanked the citizens for providing input on the proposed rate increase.

SPECIAL CALL ITEMS

Approve Establishment and Appointment of Ad-Hoc Planning Review Committee

Interim City Manager Hill stated that since 2005 there has been some interest in creating some form of a Design Review Committee. The matter came back to the Council for consideration in June, 2009 and it was decided that an Ad-Hoc committee be created to focus on planning review

rather than specific design review. A notice went out seeking interested persons to serve on the committee. As a result, five applications were received including two City Council members, one Planning Commissioner, and two citizens.

Motion was made by Marks/Barsanti to approve the creation of an Planning Review ad-hoc committee and approve the Mayor's appointment of the following five committee members and naming City Clerk Dunham as Secretary to the committee.

- Julie Woodall
- Melissa Marks
- Alice Millington
- Maureen Bolton
- Davina Gray

Motion carried 4-0.

PUBLIC PRESENTATIONS

None

REPORTS/STAFF COMMUNICATIONS

Interim City Manager Hill reported on recent meetings and activities and stated a Hazmat Spill Drill was held a week from last week-end with Fortuna Fire Department, City Ambulance, and other agencies which was a big drill put on at Scotia Mill site in which they did a simulated hazardous spill at the result of a traffic accident. He commented that it gave everyone an air of realism and was impressed with how our fire department responded to the drill and particularly impressed with Russ Brown and the North Coast Safety Consortium. He said he discussed with Acting Director of Public Works how the City could respond in the event of a hazardous waste spill from an accident.

He also reported that he would be working on the closure of the entrance to the wastewater treatment plant from Edwards Dr. and addressing the idea of installation of security gates.

Councilmember Marks asked when the Council would be receiving a report on Code Enforcement activities; Chief Hill said the Code Enforcement Officer had just returned from vacation but a report would be forthcoming.

Finance Director Beauchaine reported on recent activities in the Finance Department stating that the Headwaters Grant for the Food Cooperative was executed; had completed the signature side of COPS grant; with passage of the Budget would be working on entering it into the system so that financial reports can be processed; said she and the City Clerk would be attending CAJPA training in Lake Tahoe the following week and would report back to the Council; was working

on preparation of the audit and on the year-end close out procedures; followed up on the status of the \$25,000 grant through Redwood Coast Energy Authority (RCEA); said she had received a lot of correspondence from Redwood Community Action Agency (RCAA) regarding the annual portfolio report stating she anticipated there would be some compliance issues to address; and said she attended a conference in Sacramento regarding labor standards related to the Stimulus funding noting the reporting would be done in house for the next construction project.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Thompson stated he would be attending a Study Session on September 9th at Redwood Coast Energy Authority (RCEA) for the purpose of discussing conversion of gas motors.

Interim City Manager Hill added that he and Finance Director Beauchaine had met with Dave Hodges from EPA and he strongly recommended that he, the Finance Director and one Council member attend the three day conference in New Orleans on November 15-19, noting that the EPA grant would cover the cost of three attendees. Hill pointed out the advantage of three people attending is that there are a multitude of courses offered and the more people that go the more courses that can be covered. He recommended Mayor Woodall attend the conference; the consensus of the Council was that she attend.

Mayor Woodall commented that she will be returning from vacation in India on the 15th so would let the City Manager know in a couple of days whether she will be able to attend.

ANNOUNCEMENT IN OPEN SESSION OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Anticipated Litigation – significant exposure to litigation pursuant to Government Code Section 54956.9(b): 3 potential cases

At 7:45 P.M. Mayor Woodall then announced the Council would be adjourning back into Closed Session to discuss: *Anticipated Litigation – significant exposure to litigation pursuant to Government Code Section 54956.9(b): 3 potential cases*, and asked for any public comment regarding the closed session. There were no comments received.

The meeting reconvened at 8:35 P.M. and Mayor Woodall announced there was no reportable action taken in closed session.

ADJOURNMENT

Being no further business to discuss, the meeting adjourned at 8:37 P.M. to the September 15, 2009 Regular Meeting.

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Julie Woodall, Mayor

Attest:

Karen Dunham, City Clerk